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EMPLOYEE CONFIDENTIAL INFORMATION AND INVENTIONS AGREEMENT

This Agreement is by and between Electric Submersible Pumps, Inc. a corporation (the "Company") and the undersigned employee of the Company (the "Employee", and is executed and effective this 9 of Sept, 1997.

Employee understands and recognizes that (1) the Company has developed valuable technical and non-technical information which the Company must protect in order to safeguard the Company's legitimate interests (the "Confidential Information"); (2) the use and disclosure of the Confidential Information must be carefully and continuously controlled, and further recognizes that the Company uses or may use confidential information belonging to third parties under license agreements restricting disclosure; (3) products and processes developed by the Company are subject to the Company's proprietary rights, and that the Company may protect these developments through trade secret(s), copyright, contract, patent or other legal mechanisms; and (4) through his employment, Employee may become acquainted with all or part of the Confidential Information, and may contribute to that Confidential Information through inventions, discoveries, improvements, developments efforts, or in some other manner.

NOW, THEREFORE, for and in consideration of Employee's employment with the Company, the parties agree as follows:

1. Confidential Information to Be Kept in Confidence

Except as may be required by Employee's employment with the Company, Employee will not, without Company's prior written consent, disclose or use at any time, either during or after the termination of Employee's employment with the Company, any of the Confidential Information to which Employee may become informed during employment, whether or not Employee developed or originated that information.

2. Other Employment: Non-Competition

(a) During the course of Employee's employment with the Company, Employee shall not render any service in any capacity to, nor have any financial or other interest in any competitor, nor engage in any additional outside business activities which may be a conflict of interest with the Company, without Company's prior written consent. A conflict of interest is any business interest which may impair or appear to impair Employee's objectivity in the performance of Company duties. Employee shall have a continuing requirement to disclose to Company any proposed or actual outside business activity which may be a conflict of interest. Specifically exempt from this Section 2(a) are those non-competing outside business or professional activities which do not demand time which Employee would normally devote to Company duties.

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(b) During the course of Employee's employment with the Company, Employee will not, directly or indirectly, for any reason whatsoever, except for and on behalf of the Company solicit the trade or patronage of any Company customers or prospective customers with respect to any of the trade secrets or other Company Confidential Information matters discussed in this Agreement.

3. Invention Ownership: Disclosure

(a) Employee agrees that Company owns, or shall own, any and all inventions related to the companies products and services (applicable inventions) which Employee, whether alone or with others, may create, develop, discover, conceive, invent, or suggest (hereafter individually and collectively referred to as "make(s)" during Employee's employment. The term "Inventions" as used herein means any and all concepts, discoveries, designs, inventions, or improvements thereto or existing technology, whether in tangible or intangible form, whether or not subject to or capable of protection by patent, copyright, trade secret, or business operations. Employee agrees that any applicable Inventions that are subject to or capable of protection by copyright which Employee makes during the period of employment are considered "work for hire" under United States copyright laws, and Employee hereby assigns and shall assign to Company or any affiliate thereof, by the execution of such form or forms as shall be hereinafter required, Employee's entire right, title, and interest in and to all such Inventions.

(b) Employee further agrees to promptly and fully disclose to Company any applicable Invention which he makes, to execute all documents requested by the Company or its agents in connection with filing and/or prosecuting any application for patents, trademarks and/or copyrights as Company, in its sole discretion, may desire, and further, to give Company all reasonable assistance, including but not limited to the giving of testimony in any action, suit, or proceeding in order to obtain, maintain, and protect Company's rights in and to any such Inventions. These obligations shall be binding upon Employee's assigns, executors, administrators, and other legal representatives.

(c) Employee represents to Company that he does not have pending any application for any patent, copyright, or trademark related to an application invention, and that there exists no information or invention now in Employee's possession claimed to be excluded from this Agreement, except as specifically listed on Exhibit A of this Agreement, which is incorporated herein by reference as is fully set forth herein. If an Exhibit A is not attached to this Agreement, it is understood that the mission of such Exhibit shall mean that there is nothing to be listed on such Exhibit A and Exhibit A shall be deemed to read "NONE".

(d) Company recognizes that Employee may desire from time to time to author and publish articles on subjects relating to the Company's existing or planned business. Employee agrees that Company shall own all copyrights to such publications; however, Company shall not unreasonably withhold its permission to allow Employee to reprint and distribute such publications for non-competitive purposes, as long as such proposed publications do not disclose Company's Confidential Information.

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4. Computers

- (a) Employee understands and agrees that all ESP computer systems are Company proprietary and that all access to, and use of, any and all Company computer equipment is limited to explicitly authorized ESP individuals. Any exceptions must be authorized in writing by the President of ESP or his written designee.
- (b) Employee further agrees that all programs, data, files or other information on Company computer systems(s) is Confidential/Proprietary Information.
- (c) Employee accepts that all programs, data, files or other information developed, placed, recorded, saved, or otherwise made to reside on Company computer equipment is Company owned and Confidential Information.

5. Return of Materials

Upon termination of Employee's employment with the Company, for whatever reason, Employee will promptly deliver to Company all Confidential Information and/or other Company materials in Employee's possession or under Employee's control, including copies thereof and extracts therefrom.

6. Third Party Confidential Information

Employee represents that he does not have in Employee's possession or under Employee's control any third party proprietary or confidential information that has been obtained during the employee's course of employment with a third party and that Employee's employment with the Company and/or the terms of this Agreement do not and will not cause Employee to breach any agreement with, or obligation owed to any third party. Employee further agrees that, during Employee's employment with the Company, Employee will not disclose to the Company, or use in the course of Employee's employment with the Company, any such third party proprietary or confidential information.

7. Miscellaneous

- (a) This Agreement constitutes the entire understanding of the parties, and all prior representations or agreements with respect to the subject matter hereof are superseded and terminated, provided however, if the Employee has entered into a written employment agreement with the Company, the employment agreement shall remain in full force and effect and this Agreement shall be deemed a supplement to the employment agreement and shall not replace or supersede the employment agreement. This Agreement may not be altered or varied except by a written instrument signed by both the Employee and an officer of the Company who has express written board of director approval to alter or vary this Agreement.

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- (b) This Agreement shall be governed by and construed in accordance with all applicable local, state, and federal laws.
- (c) In case one or more of the provisions contained in this Agreement shall be held invalid, illegal or unenforceable in any respect by any court of competent jurisdiction, such holding shall not impair the validity, legality, or enforceability of the remaining provisions herein.
- (d) Except as otherwise provided herein, this Agreement shall terminate upon termination of Employee's employment with the Company. The obligations set forth in Sections 1, 2, and 3 hereof shall survive the termination of this Agreement.
- (e) In the event that the Company shall be merged or consolidated into or with any other entity, or in the event that substantially all of the assets of the Company shall be sold or otherwise transferred to any other entity, the provisions of this Agreement shall be binding upon, and inure to the benefit of, such other entity.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered, as of the day and year first above written.

Electric Submersible Pumps, Inc.

By J. Duruer
Company Representative

EMPLOYEE

Jose John Vennat
(Jose John Vennat)
(Printed Name of Employee)